

# PAYPAL BALANCE TERMS AND CONDITIONS

## About Your PayPal Balance Account

Last Update: July 28, 2022.

*Please note that these PayPal Balance Terms and Conditions apply to accounts currently or previously named PayPal Cash and PayPal Cash Plus. All references to “PayPal Balance account” or “Balance Account” shall be deemed to include PayPal Cash and PayPal Cash Plus accounts, as applicable.*

These terms and conditions are between you and PayPal, Inc. and govern your use of your PayPal Balance account and the PayPal services related to that account. The terms “PayPal Balance account” or “Balance Account” in these terms and conditions will be used to refer to a PayPal Balance account and shall include any account currently or previously known as a PayPal Cash account or a PayPal Cash Plus account, as applicable.

These terms and conditions apply to U.S. Balance Accounts only. You must be an individual and resident of the United States or one of its territories and at least 18 years old, or the age of majority in your state of residence to open a U.S. Balance Account and use the PayPal services. If you are a business, the business must be organized in, operating in, or a resident of, the United States or one of its territories to open a U.S. Balance Account and use the PayPal services.

By opening and using a Balance Account, you agree to comply with all aspects of these terms and conditions and any upcoming changes described on the [Policy Updates](#) page at the time you accept these terms and conditions (which changes will apply to you on the indicated effective dates). These terms and conditions include an [agreement to resolve disputes by arbitration](#) on an individual basis. You also agree to comply with the following:

- [PayPal Account User Agreement](#)
- [Acceptable Use Policy](#)
- [Electronic Communications Delivery Policy \(E-Sign Disclosure and Consent\)](#)

Please read carefully all of these terms and conditions, the terms of the above policies, and each of the other terms and agreements that apply to you.

We may revise these terms and conditions and any of the other terms, agreements, or policies from time to time. The revised version will be effective at the time we post it, unless otherwise noted. If our changes reduce your rights or increase your responsibilities, we will provide notice of such changes in accordance with the terms of the user agreement.

- Notice will include posting information about the changes on our [Policy Updates](#) page. If you accepted these terms and conditions prior to us posting notice of the changes on our [Policy Updates](#) page, then such notice will be provided at least 21 days before the applicable effective date.

By continuing to use our services after any changes to these terms and conditions, you agree to abide and be bound by those changes. If you do not agree with any changes to these terms and conditions, you may close your Balance Account.

## **Opening a Balance Account**

If you open a Balance Account you will be able to hold a balance, and use balance to send and receive money, buy things online using mobile devices or in stores, and make payments, among other benefits. You can only open a Balance Account if you have a PayPal personal account (or “personal account”) in good standing, and you can only use your Balance Account by accessing it through your personal account. We will automatically link your Balance Account to your personal account.

Your login credentials for your personal account act as the credentials to access your Balance Account.

Before you can open a Balance Account, we must verify or have previously verified the required identifying information that you provide to us.

The **required identifying information** is: name, physical address, date of birth and taxpayer identification number.

You are responsible for maintaining adequate security and control of any and all IDs, passwords, personal identification numbers, or any other codes that you use to access your Balance Account and the PayPal services. You must keep your mailing address, email address and other contact information current in your PayPal profile.

## **Closing Your Balance Account**

You can close your Balance Account without closing your personal account but you cannot close your personal account without closing your Balance Account. Closing a personal account will result in PayPal automatically closing your Balance Account. You can terminate your relationship with us at any time without cost, but you will remain liable for all obligations related to your Balance Account and personal account even after those accounts are closed. You must [withdraw](#) or transfer any funds held in a Balance Account before closing the Balance Account.

In certain cases, you may not close your Balance Account, including:

- To evade an investigation.

- If you have a pending transaction using your Balance Account as the payment method or an open dispute or claim related to your Balance Account.
- If your Balance Account has a negative balance.
- If your Balance Account is subject to a hold or limitation.

## **Available Features of Balance Accounts**

As described in more detail below, here are some of the things you can do with a Balance Account:

- Receive money;
- Hold money;
- Convert money from one currency to another;
- Withdraw money from your Balance Account to a debit card or bank account linked to your personal account;
- Transfer money for purchases of goods and services;
- Send “[personal transactions](#)” to and request personal transactions from friends and family;
- Buy, sell, and hold certain cryptocurrencies if eligible;
- Make in-store purchases using a PayPal-branded debit card linked to your Balance Account;
- Withdraw money at ATMs using a PayPal-branded debit card;
- Transfer money to and withdraw money from PayPal Savings;
- Set up Direct Deposit of funds into your Balance Account;
- Load cash into your Balance Account at several retail stores throughout the U.S.; and
- Transfer proceeds from checks into your Balance Account using our remote check capture feature.

## **Receiving Funds into Your Balance Account**

You may transfer money into your Balance Account from any bank account linked to your personal account by requesting an electronic transfer from your bank account.

Money sent by someone else to your personal account will automatically be placed in your Balance Account.

To receive money in a currency your Balance Account is not currently configured to accept, it may be necessary to create a balance in your Balance Account in that currency or convert the money into another currency. Certain currencies can only be received by converting the money into another currency that PayPal allows you to hold. If the money is converted, PayPal’s transaction exchange rate (including our [currency conversion spread](#)) will be used.

You can load funds into your Balance Account at retail stores, or you can load funds into it using the remote check capture feature where that feature is available. Remote check

capture may not be available in all locations. Please refer to the [PayPal Help Center Cash a Check page](#) for more information and availability. If any fees are charged for in-store cash reload and remote check capture transactions, they can be found in the [PayPal Balance Long Form Disclosure](#).

You may arrange to have all or part of your paycheck or any federal or state government benefit or payment (e.g., Federal tax refunds or Social Security payment) transferred directly into your Balance Account by your employer or government payer, as applicable, by using the Direct Deposit feature.

To enroll, you will need to provide your employer or the government payer, as applicable, with the account and routing numbers found in the Direct Deposit section available in the PayPal app. Your employer or government payer may also ask you to fill out their own direct deposit form. We do not charge any fees to set up or maintain Direct Deposit.

We may offer early access to Direct Deposit funds to eligible customers. Direct Deposit and the earlier availability of funds are subject to the timing of the payer's funding. Funds transferred via Direct Deposit generally will be available on the day the funds are applied to your account. Because we do not receive funds via Direct Deposit instantly, there will be some delay between the payment being initiated by the payer and the payment arriving at PayPal. For example, Direct Deposit of funds may be delayed for several days in the event of a federal or bank holiday. You may review your periodic statements or transaction history on [paypal.com](https://www.paypal.com) or contact us at [PayPal Customer Service](#) to verify that each Direct Deposit has been received. Funds added to your account via Direct Deposit, including funds added using a Bancorp account and routing number, are transferred to and held by one or more banks insured by the Federal Deposit Insurance Corporation (FDIC) that we choose in our discretion ("[Program Banks](#)") where they are eligible for FDIC pass-through insurance. We reserve the right to accept, reject, or limit transfers via Direct Deposit in our sole discretion. If you wish to cancel Direct Deposits, you must contact the payer directly.

To assist in the prevention of fraud, you represent the following:

- For Direct Deposit of a tax refund
  - the name and Social Security Number associated with each refund payment will match the name and Social Security Number associated with your PayPal account; and
  - involving a joint tax return, the name of the first person listed in the tax return and their Social Security Number associated with the refund payment will match the name and Social Security Number associated with the PayPal account holder.
- For Direct Deposit of other federal payments, the name and Social Security Number associated with each payment will match the name and Social Security Number associated with your PayPal account.

## Holding Funds in Your Balance Account

Unless otherwise expressly stated, all references to “funds” in these terms and conditions mean money denominated in sovereign currency and not cryptocurrency or any other form of asset.

Any funds in your Balance Account represent unsecured claims against PayPal, unless you have a PayPal Debit Mastercard® (“PayPal Debit Card”), have enrolled in Direct Deposit, or have bought or received cryptocurrency. In that case, PayPal places the U.S. dollar funds held in your Balance Account in one or more [Program Banks](#), as explained below in the paragraphs regarding pass-through deposit insurance provided by the FDIC.

If your Balance Account is not eligible for FDIC pass-through insurance, PayPal combines your Balance Account balance with the balances of other Balance Account holders and invests those funds in liquid investments in accordance with state money transmitter laws. You will not receive any interest or other return on the funds held with PayPal. PayPal owns the interest or other earnings on these investments. However, the claim against PayPal represented by funds held in your Balance Account is not secured by these investments and you do not have any ownership interest (either legal or beneficial) in these investments. These pooled amounts are held apart from PayPal’s corporate funds, and PayPal will neither use these funds for its operating expenses or any other corporate purposes nor will it voluntarily make these funds available to its creditors in the event of bankruptcy.

If your Balance Account is eligible for FDIC pass-through insurance, PayPal will hold these funds as your agent and custodian, and you will be the ultimate beneficial owner of the funds. PayPal will deposit your funds into one or more custodial accounts we maintain for the benefit of eligible Balance Account holders at one or more Program Banks. PayPal customer funds in these custodial accounts are eligible for pass-through FDIC insurance coverage. Subject to the limitations set forth below, this means that if a bank holding the custodial account in which your funds are deposited fails, you should be eligible to be insured by the FDIC up to the standard maximum deposit insurance amount (currently \$250,000). Note that the FDIC insurance maximum applies to the aggregate of all funds that you have on deposit in all accounts you have with the same bank in a particular FDIC ownership category. For example, if you have a Balance Account and a Venmo account that are both held in your individual capacity and you qualify for pass-through FDIC insurance in both accounts, any balances you maintain in those accounts will be aggregated for purposes of FDIC limits to the extent we place those funds in the same bank. If the total balances you have at any bank exceeds FDIC insurance limits, the amount in excess of those limits could be lost if the bank fails. **FDIC pass-through insurance does not protect you against the failure of PayPal.**

When we provide immediate or early credit of funds sent to your Balance Account, there might be a delay between the time that funds are credited and when we actually transfer those funds to one of the custodial accounts. That amount might not be eligible for FDIC pass-through insurance in your name during this period, but we will still hold the funds as

your agent and custodian in investments authorized by our state regulators. FDIC pass-through insurance coverage is contingent upon our maintaining accurate records and on both us and the Program Bank in which the funds are deposited otherwise complying with requirements in FDIC regulations. The determinations of whether these requirements have been satisfied and whether you are eligible for FDIC pass-through insurance coverage will be made by the FDIC at the time that a Program Bank holding a custodial account fails. You will not receive any interest or other return on funds held in these custodial accounts and you agree that any earnings on funds in a custodial account belong to PayPal, and PayPal may be compensated for placing your funds in a custodial account.

Your eligibility for FDIC pass-through insurance only applies to U.S. dollar funds held in your eligible Balance Account balance and placed by PayPal in a Program Bank on your behalf. It does not apply to funds held in any non-U.S. dollar currencies, nor does it apply to any amounts held in cryptocurrencies.

Your Balance Account balance may be held in currencies other than U.S. dollars. You are responsible for all risks associated with maintaining multiple currencies in a Balance Account. You may not manage multiple currencies for speculative trading purposes, conversion arbitrage, conversion options, or any other activity that PayPal determines is primarily for the purpose of gaining or making money based on currency conversion rates. PayPal may hold, cancel, or reverse any transaction we determine to violate this policy.

You can also use your Balance Account to hold or receive certain cryptocurrencies if eligible. Cryptocurrency eligibility and other specific terms and conditions can be found in the [PayPal Cryptocurrencies Terms and Conditions](#).

## **Withdrawing Money from a Balance Account**

If you have money in a Balance Account, you may withdraw it by:

- Transferring it via a standard transfer to a bank account linked to your personal account for free,
- Transferring it via an Instant Transfer to an eligible debit card or bank account linked to your personal account, subject to the fees applicable to such transfers that can be found on the [PayPal Balance Long Form Disclosure](#) and that will be disclosed to you in advance each time you initiate such a withdrawal,
- Transferring it to PayPal Savings, or
- Requesting a check from us (subject to a non-refundable fee of \$1.50, which will be deducted from the amount of the withdrawal).

In addition, if you have a Balance Account, you may withdraw funds from an ATM using your PayPal-branded debit card subject to the fees that may apply to such withdrawals that can be found on the [PayPal Balance Long Form Disclosure](#).

To protect us and our users from loss, we may delay a withdrawal, in certain situations, including if we need to confirm that you have authorized the withdrawal or if other payments to your Balance Account have been subject to a reversal (for example, as a result of a chargeback, bank reversal or dispute by a buyer). If we place a [limitation](#) on your personal account, a payment is subject to a hold, or your Balance Account or an associated account has a negative balance in any currency while a withdrawal from your Balance Account is pending, you will have to reinitiate the withdrawal once the limitation or hold has been lifted, or negative balance is fully paid.

We may set limits on your withdrawals, and you can view any withdrawal limit by logging into your personal account.

We don't charge a fee to make a standard transfer of funds from your Balance Account to your bank using your personal account. If your debit card or bank account linked to your personal account is eligible to receive Instant Transfer withdrawals from your Balance Account, you will be provided the option to use it when you transfer money out of your account, subject to the fees applicable to such transfers that can be found on the [PayPal Balance Long Form Disclosure](#) and that will be disclosed to you in advance each time you initiate such a transfer.

When you withdraw funds in your Balance Account from an ATM using a PayPal-branded debit card, you may be charged a fee by the owner of the ATM and an additional fee per the terms of your Cardholder Agreement that can be found on the [Legal Agreements](#) page. Other withdrawal limits also apply to the use of your PayPal-branded debit card. Please refer to the applicable Cardholder Agreement for details that can be found on the [Legal Agreements](#) page.

If you request a paper check from us, you must cash it within 180 days of the date of issuance, or we will return the funds to your Balance Account and retain the non-refundable fee of \$1.50. We will not send a check to a post office box, and we will only send a check to an address once we have confirmed that it belongs to you.

## **Currency Conversion**

### **How we convert currency**

PayPal will always perform the conversion for transactions where your Balance Account is the funding source for a transaction using your personal account. When PayPal converts currency, it will be completed at the transaction exchange rate we set for the relevant currency exchange. The transaction exchange rate is adjusted regularly and includes a [currency conversion spread](#) applied and retained by us on a base exchange rate to form the rate applicable to your conversion. The base exchange rate is based on rates within the wholesale currency markets on the conversion day or the prior [Business Day](#); or, if required by law or regulation, set at the relevant government reference rate(s).

For some uses of your Balance Account, PayPal may determine currency conversion is necessary. The applicable currency conversion spread can be found on our Fees page under the heading [Currency Conversions](#).

## **Fee Information and Regulatory Disclosures**

You can find a list of all fees for the Balance Account on the [PayPal Balance Long Form Disclosure](#).

## **Account Statements and Requesting Account Records**

You have the right to receive an account statement showing your Balance Account activity. You may view your Balance Account statement by logging into your personal account. Balance Account holders will receive two statements: one showing all transactions in their personal account and an additional statement showing only transactions involving their Balance Account.

# **PAYPAL BALANCE TERMS AND CONDITIONS**

## **Sending Money and Buying**

### **Sending Money to a Friend or Family Member**

You can use your Balance Account as the funding source to send money to a friend or family member using the send money feature in your linked personal account. You can send money to a friend or family member even if they don't have an eligible PayPal account at the time you send them money, using their email address or mobile number in any currency that PayPal supports, and you can choose your Balance Account as the payment method you want to use. If the person to whom you are sending money does not have an eligible PayPal account, they can claim it by opening an eligible PayPal account. If they don't claim it, it will be refunded to you.

We may, at our discretion, impose limits on the amount of money you can send, including money you send for purchases. You can view any sending limit by logging into your personal account.

When you send money to a friend or family member who has an eligible PayPal account one of two things may happen: they may accept or decline the money. If you use your linked Balance Account as the funding source and they decline to accept the money, the money (including any fees you were charged) will be refunded to your Balance Account.

The fees applicable to sending money can be found on the [PayPal Balance Long Form Disclosure](#) (see Exhibit 1 to these terms and conditions) and will be disclosed to you in



advance each time you initiate a transaction to send money to a friend or family member. If you convert money in your Balance Account balance from one currency to another before sending money, PayPal's transaction exchange rate (including our [currency conversion spread](#)) will be used.

## **Sending Money to or Receiving Money From PayPal Savings**

PayPal Savings will be linked to your PayPal account. Additional information about PayPal Savings can be found in the [PayPal User Agreement](#).

Transfers from your PayPal Savings to your PayPal balance will generally be available in your Balance Account immediately upon transfer from your PayPal Savings even though we do not receive funds transferred from your PayPal Savings instantly. For example, funds transferred from your PayPal Savings to your Balance Account may be delayed for several days in the event of a federal or bank holiday. If PayPal does not receive the funds from your PayPal Savings account, PayPal reserves the right in its sole discretion to remove from your Balance Account the amount of funds for which PayPal provided early access, but did not receive from the bank that provides your PayPal Savings account.

## **Buying Something From, or Returning Something to, a Seller Who Accepts PayPal Using Your Balance Account**

You can buy something from a seller who accepts PayPal, in any currency that the seller accepts and that PayPal supports, using the balance in your Balance Account linked to your personal account. This includes, for example:

- Buying something at an online retailer's website and selecting PayPal balance as your payment method at checkout.
- Sending money to a seller for goods or services and selecting PayPal balance as your payment method.
- Using your personal account and selecting PayPal balance as your payment method to buy something at a seller's physical store.

When you buy something from a seller who accepts PayPal you don't pay a fee to PayPal. If PayPal performs [a currency conversion](#), PayPal's transaction exchange rate (including our [currency conversion spread](#)) will be used.

## **Payment review**

When PayPal identifies a potentially high-risk transaction, we review the transaction more closely before allowing it to proceed. When this happens, PayPal will place a hold on the transaction and notify the seller to delay shipping of the item. As a buyer, this may delay your receipt of the item you purchased. If we clear the transaction, we will notify the seller and direct them to ship the item. If we don't clear the transaction, we will cancel it and return the funds to you, unless we are legally required to take other action.

## Refunds

When you buy something from a seller online using your Balance Account linked to your personal account as the funding source and the transaction is ultimately refunded, the money will be refunded to your Balance Account. When you buy something from a seller online using your bank account linked to your personal account as the funding source and the transaction is ultimately refunded, we will attempt to refund the money to your bank account. If we are unable to do so, we will refund the money to your Balance Account. For purchases you make in a seller's store location that you paid for using your personal account and the transaction is ultimately refunded, the money will be refunded to your Balance Account regardless of the funding source linked to the personal account you designated to use for the purchase.

If PayPal performed a currency conversion for your transaction, and a refund is issued:

- Within 1 day of the date of the original payment, PayPal's transaction exchange rate used at the time of the original payment will apply.
- Beyond 1 day of the date of the original payment, PayPal's transaction exchange rate on the date of the refund will apply.

Money will be refunded in the currency you paid; or if we are unable to refund in the currency you paid, in your primary holding currency; or we are unable to refund in your primary holding currency, then in U.S. dollars.

# PAYPAL BALANCE TERMS AND CONDITIONS

## Restricted Activities and Holds

### Restricted Activities

In connection with your use of our websites, your Balance Account, the PayPal services, or in the course of your interactions with PayPal, other PayPal customers, or third parties, you must not:

- Breach these terms and conditions, the [PayPal Account User Agreement](#) for your personal account, the PayPal [Acceptable Use Policy](#), the [Commercial Entity Agreements](#) (if they apply to you), or any [other agreement](#) between you and PayPal;
- Violate any law, statute, ordinance, or regulation (for example, those governing financial services, consumer protections, unfair competition, anti-discrimination or false advertising);
- Infringe PayPal's or any third party's copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy;

- Sell counterfeit goods;
- Act in a manner that is defamatory, trade libelous, threatening or harassing;
- Provide false, inaccurate or misleading information;
- Send or receive what we reasonably believe to be potentially fraudulent funds;
- Refuse to cooperate in an investigation or provide confirmation of your identity or any information you provide to us;
- Attempt to double dip during the course of a dispute by receiving or attempting to receive funds from both PayPal and the seller, bank or debit card issuer for the same transaction;
- Control an account that is linked to another account that has engaged in any of these restricted activities;
- Conduct your business or use the PayPal services in a manner that results in or may result in;
  - complaints;
  - requests by buyers (either filed with us or card issuers) to invalidate payments made to you;
  - fees, fines, penalties or other liability or losses to PayPal, other PayPal customers, third parties or you;
  
- Allow your Balance Account to have a negative balance;
- Access the PayPal services from a country that is not included on PayPal's [permitted countries list](#);
- Take any action that imposes an unreasonable or disproportionately large load on our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or the PayPal services;
- Facilitate any viruses, trojan horses, malware, worms or other computer programming routines that attempts to or may damage, disrupt, corrupt, misuse, detrimentally interfere with, surreptitiously intercept or expropriate, or gain unauthorized access to any system, data, information or PayPal services;
- Use an anonymizing proxy; use any robot, spider, other automatic device, or manual process to monitor or copy our websites without our prior written permission; or use any device, software or routine to bypass our robot exclusion headers;
- Interfere or disrupt or attempt to interfere with or disrupt our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, any of the PayPal services or other users' use of any of the PayPal services;
- Take any action that may cause us to lose any of the services from our Internet service providers, payment processors, or other suppliers or service providers;
- Circumvent any PayPal policy or determinations about your Balance Account such as temporary or indefinite suspensions or other account holds, limitations or restrictions, including, but not limited to, engaging in the following actions: attempting to open new or additional PayPal account(s) when your Balance Account has a negative PayPal balance or has been restricted, suspended or otherwise limited; opening new or additional PayPal accounts using information

that is not your own (e.g. name, address, email address, etc.); or using someone else's PayPal account; or

- Harass and/or threaten our employees, agents, or other users.

## **Actions We May Take if You Engage in Any Restricted Activities**

If we believe that you've engaged in any of these activities, we may take a number of actions to protect PayPal, its customers and others at any time in our sole discretion. The actions we make take include, but are not limited to, the following:

- Limit your Balance Account, and/or close or suspend your Balance Account, immediately and without penalty to us;
- Refuse to provide the PayPal services to you in the future;
- Limit your access to our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, your Balance Account or any of the PayPal services, including limiting your ability to pay or send money with your Balance Account, restricting your ability to send money or make withdrawals;
- Hold your Balance Account balance for up to 180 days if reasonably needed to protect against the risk of liability or if you have violated our [Acceptable Use Policy](#);
- Contact buyers who have purchased goods or services from you using PayPal, your bank, other impacted third parties or law enforcement about your actions;
- Update inaccurate information you provided us;
- Take legal action against you;
- If you've violated our [Acceptable Use Policy](#), then you're also responsible for damages to PayPal caused by your violation of this policy; or
- If you are a seller and you violate the Acceptable Use Policy, then in addition to being subject to the above actions you will be liable to PayPal for the amount of PayPal's damages caused by your violation of the Acceptable Use Policy. PayPal may deduct such damages directly from any existing balance in any PayPal account you control.

If we close your Balance Account or terminate your use of the PayPal services for any reason, we'll provide you with notice of our actions and make any unrestricted funds held in your Balance Account available for withdrawal.

You are responsible for all reversals, chargebacks, claims, fees, fines, penalties and other liability incurred by PayPal, any PayPal customer, or a third party caused by or arising out of your breach of these terms and conditions, and/or your use of the PayPal services.

## **Holds and Limitations**

### **What are holds and limitations**

Under certain circumstances, in order to protect PayPal and the security and integrity of the network of buyers and sellers that use the PayPal services, PayPal may take account-level or transaction-level actions. Unless otherwise noted, if we take any of the actions described here, we'll provide you with notice of our actions, but we retain the sole discretion to take these actions. To request information in connection with an account limitation, hold or reserve, you should visit the [Resolution Center](#) or follow the instructions in our email notice with respect to the limitation or hold. Account holds or limitations may impact your ability to move funds to or from your PayPal Savings account until the hold or limitation on your PayPal account is lifted.

Our decision about holds and limitations may be based on confidential criteria that are essential to our management of risk and the protection of PayPal, our customers and/or service providers. We may use proprietary fraud and risk modeling when assessing the risk associated with your PayPal account. In addition, we may be restricted by regulation or a governmental authority from disclosing certain information to you about such decisions. You agree that we have no obligation to disclose the details of our risk management or security procedures to you.

## **Holds**

A hold is an action that PayPal may take under certain circumstances either at the transaction level or the account level. When PayPal places a temporary hold on a payment, the money is not available to either the sender or the recipient. PayPal reviews many factors before placing a hold on a payment, including: account tenure, transaction activity, business type, past customer disputes, and overall customer satisfaction.

### **Holds based on PayPal's risk decisions**

We may place a hold on payments sent to your Balance Account if, in our sole discretion, we believe that there may be a high level of risk associated with you, your Balance Account, your personal account, or your transactions or that placing such a hold is necessary to comply with state or federal regulatory requirements. We make decisions about whether to place a payment hold based on a number of factors, including information available to us from both internal sources and third parties. When we place a hold on a payment, the funds will appear in your Balance Account with an indication that they are unavailable or pending. We'll notify you, either through your Balance Account or directly by phone or email, whenever we place a hold.

Risk-based holds generally remain in place for up to 21 days from the date the payment was received into your Balance Account. We may release the hold earlier under certain circumstances, but any earlier release is at our sole discretion. The hold may last longer than 21 days and can be in effect up to 180 days.

## **Account Limitations**

Limitations are implemented to help protect PayPal, buyers and sellers when we notice [restricted activities](#), an increased financial risk, or activity that appears to us as unusual or suspicious. Limitations also help us collect information necessary for keeping your Balance Account open.

There are several reasons why your account could be limited, including:

- If we suspect someone could be using your Balance Account without your knowledge, we'll limit it for your protection and look into the fraudulent activity.
- If your bank lets us know that there have been unauthorized transfers between your Balance Account and your bank account.
- In order to comply with applicable law.
- If we believe in our sole discretion that you have breached these terms and conditions or violated the [Acceptable Use Policy](#).
- Seller performance indicating your PayPal account is high risk. Examples include: indications of poor selling performance because you've received an unusually high number of claims and chargebacks, selling an entirely new or high-cost product type, or if your typical sales volume increases rapidly.

Unless a permanent limitation is placed on your account, you will need to resolve any issues with your Balance Account and personal account before a limitation can be removed. Normally, this is done after you provide us with the information we request. However, if we reasonably believe a risk still exists after you have provided us that information, we may take action to protect PayPal, our users, a third party, or you from reversals, fees, fines, penalties, legal and/or regulatory risks and any other liability.

### **Court Orders, Regulatory Requirements or Other Legal Process**

If we are notified of a court order or other legal process (including garnishment or any equivalent process) affecting you, or if we otherwise believe we are required to do so in order to comply with applicable law or regulatory requirements, we may be required to take certain actions, including holding payments to/from your Balance Account, placing a limitation on your Balance Account, or releasing your funds. We will decide, in our sole discretion, which action is required of us. Unless the court order, applicable law, regulatory requirement or other legal process requires otherwise, we will notify you of these actions. We do not have an obligation to contest or appeal any court order or legal process involving you or your Balance Account. When we implement a hold or limitation as a result of a court order, applicable law, regulatory requirement or other legal process, the hold or limitation may remain in place longer than 180 days.

# **PAYPAL BALANCE TERMS AND CONDITIONS**

# Liability for Unauthorized Transactions and Other Errors

## Protection from Unauthorized Transactions

To protect yourself from unauthorized activity in your Balance Account, you should regularly log into your personal account and review your Balance Account statements. PayPal will notify you of each transaction by sending an email to your primary email address on file. You should review these transaction notifications to ensure that each transaction was authorized and accurately completed.

PayPal will protect you from unauthorized activity in your Balance Account. When this protection applies, PayPal will cover you for the full amount of the unauthorized activity as long as you cooperate with us and follow the procedures described below.

Additional rules and procedures for addressing an unauthorized transaction apply in cases involving cryptocurrencies. You can find the additional rules and procedures in the Liability for Unauthorized Transactions and Errors section of the [PayPal Cryptocurrencies Terms and Conditions](#).

## What is an Unauthorized Transaction

An “Unauthorized Transaction” occurs when money is sent from your Balance Account that you did not authorize and that did not benefit you. For example, if someone steals or fraudulently obtains your password, uses the password to access funds in your Balance Account, and sends a payment using those funds, an Unauthorized Transaction has occurred.

## What is not considered an Unauthorized Transaction

It is NOT an Unauthorized Transaction if you grant authority to someone to use your Balance Account (by giving them your login information) and they exceed the authority you gave them. You are responsible for transactions made in this situation unless you have previously notified PayPal that you no longer authorize transfers by that individual.

## Reporting an Unauthorized Transaction

If you believe your PayPal login information has been lost or stolen, please [contact PayPal customer service](#) immediately or call: (888) 221-1161 or write: PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.

Tell us AT ONCE if you believe that an electronic fund transfer has been made without your permission using your login information or by other means. You could lose all the money in your Balance Account. If you tell us within 60 days after we provide you your

Balance Account and personal account statements showing transfers you did not make, you will be eligible for 100% protection for Unauthorized Transactions.

Also, if your Balance Account statement shows transfers that you did not make, including those made with your PayPal login information or by other means, tell us at once. If you do not tell us within 60 days after we provided the statement to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

## **Error Resolution**

### **What is an Error**

An “Error” means the following:

- When money is either incorrectly taken from your Balance Account or incorrectly placed into your Balance Account, or when a transaction is incorrectly recorded in your Balance Account.
- You send a payment and the incorrect amount is debited from your Balance Account.
- An incorrect amount is credited to your Balance Account.
- A transaction is missing from or not properly identified in your Balance Account statement.
- We make a computational or mathematical error related to your Balance Account.
- You request receipt or periodic statement documents that PayPal is required to provide to you.
- You request information concerning preauthorized (recurring) transfers to your Balance Account that PayPal is required to provide to you.
- You request additional information or clarification concerning a transfer to or from your Balance Account, including a request you make to determine whether an error has occurred.
- You inquire about the status of a pending transfer to or from your Balance Account.
- You request documentation or other information, unless the request is for a duplicate copy for tax or other record-keeping purposes.

### **What is not considered an Error**

The following are NOT considered Errors:

- If you give someone access to your Balance Account (by giving them your login information) and they use your Balance Account without your knowledge or permission. You are responsible for transactions made in this situation.
- Invalidation and reversal of a payment as a result of the actions described under [Refunds, Reversals and Chargebacks](#).



- Routine inquiries about the balance in your Balance Account.
- Requests for duplicate documentation or other information for tax or other recordkeeping purposes.

### **In case of Errors or questions about your electronic transfers**

Telephone us at (888) 221-1161, contact us through the PayPal [Resolution Center](#); or write us at PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.

Notify us as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 [Business Days](#).

We will determine whether an error occurred within 10 [Business Days](#) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your Balance Account within 10 [Business Days](#) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 [Business Days](#), we may not credit your Balance Account.

For errors involving new Balance Accounts, point-of-sale transactions, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new Balance Accounts, we may take up to 20 [Business Days](#) to credit your Balance Account for the amount you think is in error.

We will tell you the results within 3 [Business Days](#) after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

### **Processing Errors**

We will rectify any processing error that we discover. If the error results in:

- You receiving less than the correct amount to which you were entitled, then we will credit your Balance Account for the difference between what you should have received and what you actually received.
- You receiving more than the correct amount to which you were entitled, then we will debit your Balance Account for the difference between what you actually received and what you should have received.
- Our not completing a transaction on time or in the correct amount, then we will be responsible to you for your losses or damages directly caused by this failure, unless:
  - through no fault of ours, you did not have enough available funds to complete the transaction;
  - our system was not working properly and you knew about the breakdown when you started the transaction; or
  - the error was due to extraordinary circumstances outside our control (such as fire, flood or loss of Internet connection), despite our reasonable precautions.

Processing errors are not:

- Delays that result from PayPal applying [holds or limitations](#).
- Delays based on a [payment review](#).

Your errors in making a transaction (for example, mistyping an amount of money that you are sending).

## **Remittance Transfer Errors**

### **What is a Remittance Transfer**

You may be protected for certain errors when you send money using a Balance Account outside of the U.S. A “Remittance Transfer” is a transaction that meets the following criteria:

- The payment is sent from a Balance Account that is used primarily for personal, family or household purposes,
- The payment is made for personal, family or household purposes,
- The payment is made using the send money feature through your personal account,
- The payment amount equals or exceeds \$15 U.S. dollars (excluding fees charged to you) or the foreign currency equivalent calculated using exchange rates in effect at the time of the transaction, and
- The recipient of the payment has a PayPal account in a country outside the U.S.

Payments that you make at a merchant website or location by selecting PayPal as a payment option are not “Remittance Transfers.”

## **What qualifies as a Remittance Transfer Error**

A “Remittance Transfer Error” occurs if:

- You paid an incorrect amount to send the Remittance Transfer. For example, you were charged more than the total shown on the remittance transfer receipt you received (unless the total shown on the receipt was an estimate, and the difference results from application of the actual exchange rate, fees, and taxes).
- PayPal made a computational or bookkeeping error, such as a miscalculation of the amount the recipient received.
- The amount stated in the remittance transfer receipt was not made available to the recipient, unless:
  - we stated in the remittance transfer receipt that we used estimates and the difference in the amount received and the amount stated in the remittance transfer receipt results from application of the actual exchange rate, fees, and taxes, or
  - the problem was caused by extraordinary circumstances outside our control.
- Funds were available to the recipient later than the date of availability that was disclosed to you on the remittance transfer receipt or were not delivered, unless:
  - extraordinary circumstances outside our control caused the delay, and we could not reasonably anticipate those circumstances,
  - delays resulted from fraud screenings, or were caused by requirements of the Office of Foreign Assets Controls or similar requirements, or
  - you (or someone assisting you) made the transfer with fraudulent intent.
- You request documentation or information concerning the Remittance Transfer, such as information required to determine if a Remittance Transfer Error occurred.

## **What is not considered a Remittance Transfer Error**

The following are NOT considered Remittance Transfer Errors:

- An inquiry about the status of a Remittance Transfer, except where the funds from the transfer were not made available to a designated recipient by the disclosed date of availability,
- A request for information for tax or other recordkeeping purposes,
- A change requested by the designated recipient, or
- A change in the amount or type of currency received by the designated recipient from the amount or type of currency stated in the disclosure provided you, if we relied on information provided by you in making the disclosure.

## **What to do if you think there has been a Remittance Transfer Error or problem**

If you think there has been a Remittance Transfer Error or problem with your Remittance Transfer:

- Call us at: (888) 221-1161.
- Write us at: PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.
- Log in to your personal account at [paypal.com](https://www.paypal.com) and go to the [Resolution Center](#) and dispute a transaction.

You must contact us within 180 days of the date we promised to you that funds would be made available to the recipient. When you do, please tell us:

- Your name, address and telephone number,
- The error or problem with the transfer, and why you believe it is an error or problem,
- The name of the person receiving the funds, and if you know it, his or her telephone number or address,
- The dollar amount of the transfer, and
- The confirmation code or number of the transaction.

We will determine whether an error occurred within 90 days after you contact us and we will correct any error promptly. We will tell you the results within 3 [Business Days](#) after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of any documents we used in our investigation.

# **PAYPAL BALANCE TERMS AND CONDITIONS**

## **Other Legal Terms**

### **Communications Between You and Us**

If you provide us your mobile phone number, you agree that PayPal and its affiliates may contact you at that number using autodialed or prerecorded message calls or text messages to: (i) service your PayPal branded accounts, (ii) investigate or prevent fraud, or (iii) collect a debt. We will not use autodialed or prerecorded message calls or texts to contact you for marketing purposes unless we receive your prior express written consent. We may share your mobile phone number with service providers with whom we contract to assist us with the activities listed above, but we will not share your mobile phone number with third parties for their own purposes without your consent. You do not have to agree to receive autodialed or prerecorded message calls or texts to your mobile phone number in order to use and enjoy the products and services offered by PayPal. You can decline to receive autodialed or prerecorded message calls or texts to your mobile phone number by updating your preferences in your PayPal account settings at [www.paypal.com](https://www.paypal.com), by contacting [customer support](#), by calling us at 1-844-629-9108, or by replying STOP to a message. The frequency of messages may vary, and standard

telephone minute and text charges may apply. Neither we nor your phone carriers are liable for delayed or undelivered messages.

PayPal may communicate with you about your Balance Account and the PayPal services electronically as described in our [Electronic Communications Delivery Policy](#). You will be considered to have received a communication from us, if it's delivered electronically, 24 hours after the time we post it to our website or email it to you. You will be considered to have received a communication from us, if it's delivered by mail, 3 [Business Days](#) after we send it.

Unless you're communicating with us about a matter where we've specified another notice address (for example, our [Liability for Unauthorized Transactions and Other Errors](#) process), written notices to PayPal must be sent by postal mail to: PayPal, Inc., Attention: Legal Department, 2211 North First Street, San Jose, California 95131.

You understand and agree that, to the extent permitted by law, PayPal may, without further notice or warning, monitor or record telephone conversations you or anyone acting on your behalf has with PayPal or its agents for quality control and training purposes or for our own protection. You acknowledge and understand that while your communications with PayPal may be overheard, monitored, or recorded not all telephone lines or calls may be recorded by PayPal, and PayPal does not guarantee that recordings of any particular telephone calls will be retained or retrievable.

## **PayPal's Rights**

### **PayPal suspension and termination rights**

PayPal, in its sole discretion, reserves the right to suspend or terminate these terms and conditions, access to or use of its websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or some or all of the PayPal services for any reason and at any time upon notice to you and, upon termination of these terms and conditions, the payment to you of any unrestricted funds held in your Balance Account.

### **Security interest**

As security for the performance of your obligations under these terms and conditions, you grant to PayPal a lien on, and security interest in and to, funds held in your Balance Account.

### **Amounts owed to PayPal**

If the balance in your Balance Account becomes negative for any reason, that negative balance represents an amount that you owe to PayPal. PayPal may deduct these amounts from funds that are added to your Balance Account later, either by you or from payments you receive. If you have more than one PayPal account, we may set off a negative

balance in one PayPal account against a PayPal balance in your other PayPal account(s), including a Balance Account. If you continue using your Balance Account when it has a negative balance, you authorize PayPal to combine the negative balance with any debit or transaction sent from your personal account when that combination is disclosed to you in advance of initiating the debit or transaction.

If you hold funds in a Balance Account in multiple currencies, and the balance for one of the currencies becomes negative for any reason, PayPal may set off the negative balance by using funds you maintain in a different currency. If you have a negative balance in non-U.S. dollars for a period of 21 days or longer, PayPal will convert this negative balance to U.S. dollars. In either case, a [currency conversion](#) will be necessary, and PayPal's transaction exchange rate (including our [currency conversion spread](#)) will be used.

In addition to the above, if you have a past due amount owed to us or our affiliates, PayPal may debit your Balance Account to pay any amounts that are past due. This includes amounts owed by using our various products such as Venmo, Xoom or Braintree.

### **Insolvency proceedings**

If any proceeding by or against you is commenced under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, we'll be entitled to recover all reasonable costs or expenses (including reasonable legal fees and expenses) incurred in connection with the enforcement of these terms and conditions.

### **Assumption of rights**

If PayPal invalidates and reverses a payment that you made to a recipient (either at your initiative or otherwise), you agree that PayPal assumes your rights against the recipient and third parties related to the payment and may pursue those rights directly or on your behalf, in PayPal's discretion.

### **No waiver**

Our failure to act with respect to a breach of any of your obligations under these terms and conditions by you or others does not waive our right to act with respect to subsequent or similar breaches.

### **Indemnification and Limitation of Liability**

In this section, we use the term "PayPal" to refer to PayPal, Inc., our parent PayPal Holdings, Inc., and our affiliates, and each of their respective directors, officers, employees, agents, joint venturers, service providers and suppliers. Our affiliates include each entity that we control, we are controlled by or we are under common control with.

## **Indemnification**

***You must indemnify PayPal for actions related to your Balance Account and your use of the PayPal services.*** You agree to defend, indemnify and hold PayPal harmless from any claim or demand (including reasonable legal fees) made or incurred by any third party due to or arising out of your breach of these terms and conditions, your improper use of the PayPal services, your violation of any law or the rights of a third party and/or the actions or inactions of any third party to whom you grant permissions to use your Balance Account or access our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, or any of the PayPal services on your behalf.

## **Limitation of liability**

***PayPal's liability is limited with respect to your Balance Account and your use of the PayPal services.*** In no event shall PayPal be liable for lost profits or any special, incidental or consequential damages (including without limitation damages for loss of data or loss of business) arising out of or in connection with our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, any of the PayPal services, or these terms and conditions (however arising, including negligence), unless and to the extent prohibited by law.

Our liability to you or any third parties in any circumstance is limited to the actual amount of direct damages. In addition, to the extent permitted by applicable law, PayPal is not liable, and you agree not to hold PayPal responsible, for any damages or losses (including, but not limited to, loss of money, goodwill, or reputation, profits, or other intangible losses or any special, indirect, or consequential damages) resulting directly or indirectly from: (1) your use of, or your inability to use, our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, or any of the PayPal services; (2) delays or disruptions in our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf and any of the PayPal services; (3) viruses or other malicious software obtained by accessing our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or any of the PayPal services or any website or service linked to our websites, software or any of the PayPal services; (4) glitches, bugs, errors, or inaccuracies of any kind in our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or any of the PayPal services or in the information and graphics obtained from them; (5) the content, actions, or inactions of third parties; (6) a suspension or other action taken with respect to your Balance Account; or (7) your need to modify your practices, content, or behavior, or your loss of or inability to do business, as a result of changes to these terms and conditions or PayPal's policies.

## **Disclaimer of Warranty and Release**

## **No warranty**

*The PayPal services are provided “as-is” and without any representation or warranty, whether express, implied or statutory. PayPal specifically disclaims any implied warranties of title, merchantability, fitness for a particular purpose and non-infringement.*

PayPal does not have any control over the products or services provided by sellers who accept PayPal as a payment method, and PayPal cannot ensure that a buyer or a seller you are dealing with will actually complete the transaction or is authorized to do so. PayPal does not guarantee continuous, uninterrupted or secure access to any part of the PayPal services, and operation of our websites, software, or systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf may be interfered with by numerous factors outside of our control. PayPal will make reasonable efforts to ensure that requests for electronic debits and credits involving bank accounts, debit cards, credit cards, and check issuances are processed in a timely manner but PayPal makes no representations or warranties regarding the amount of time needed to complete processing because the PayPal services are dependent upon many factors outside of our control, such as delays in the banking system or the U.S. or international mail service. Some states do not allow the disclaimer of implied warranties, so the foregoing disclaimers may not apply to you.

## **Release of PayPal**

If you have a dispute with any other PayPal account holder, you release PayPal from any and all claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, arising out of or in any way connected with such disputes. In entering into this release you expressly waive any protections (whether statutory or otherwise, for example, California Civil Code § 1542) that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.

## **Agreement to Arbitrate**

You and PayPal agree that any claim or dispute at law or equity that has arisen or may arise between us will be resolved in accordance with the Agreement to Arbitrate provisions set forth below. Please read this information carefully. Among other things it:

- Affects your rights and will impact how claims you and we have against each other are resolved.
- Includes a [Prohibition of Class and Representative Actions and Non-Individualized Relief](#) pursuant to which you agree to waive your right to participate in a class action lawsuit against us.
- Requires you to follow the [Opt-Out Procedure](#) to opt-out of the Agreement to Arbitrate by mailing us a written notice and the opt-out notice must be



postmarked no later than 30 days after the date you accept these terms and conditions for the first time.

If a dispute arises between you and PayPal, acting as either a buyer or a seller, our goal is to learn about and address your concerns. If we are unable to do so to your satisfaction, we aim to provide you with a neutral and cost effective means of resolving the dispute quickly. Disputes between you and PayPal regarding the PayPal services may be reported to customer service online through the [PayPal Help Center](#) at any time, or by calling (888) 221-1161 from Mon-Fri 5:00 AM to 10:00 PM PT and Sat-Sun 6:00 AM to 8:00 PM PT.

<i>Agreement to Arbitrate</i>	
<i>Our Agreement</i>	You and PayPal each agree that any and all disputes or claims that have arisen or may arise between you and PayPal, including without limitation federal and state statutory claims, common law claims, and those based in contract, tort, fraud, misrepresentation or any other legal theory, shall be resolved exclusively through final and binding arbitration, rather than in court, except that you may assert claims in small claims court, if your claims qualify and so long as the matter remains in such court and

	<p>advances only on an individual (non-class, non-representative) basis. This Agreement to Arbitrate is intended to be broadly interpreted. The Federal Arbitration Act governs the interpretation and enforcement of this Agreement to Arbitrate.</p>
<p><b><i>Prohibition of Class and Representative Actions and Non-Individualized Relief</i></b></p>	<p>You and PayPal agree that each of us may bring claims against the other only on an individual basis and not as a plaintiff or class member in any purported class or representative action or proceeding. Unless both you and PayPal agree otherwise, the arbitrator(s) may not consolidate or join more than one person's or party's claims and may not otherwise preside over any form of a consolidated, representative or class proceeding. Also, the arbitrator(s) may</p>

	<p>award relief (including monetary, injunctive and declaratory relief) only in favor of the individual party seeking relief and only to the extent necessary to provide relief necessitated by that party's individual claim(s). Any relief awarded cannot affect other PayPal customers.</p>
<p><i>Arbitration Procedures</i></p>	<p>Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator or arbitrators instead of a judge or jury, and court review of an arbitration award is very limited. However, the arbitrator(s) can award the same damages and relief on an individual basis that a court can award to an individual. The arbitrator(s) also must follow the terms of these terms and conditions as a</p>

court would. All issues are for the arbitrator(s) to decide, except that issues relating to arbitrability, the scope or enforceability of this Agreement to Arbitrate, or the interpretation of the [Prohibition of Class and Representative Actions and Non-Individualized Relief](#) section above, shall be for a court of competent jurisdiction to decide.

The arbitration will be conducted by the American Arbitration Association (referred to as the "AAA") under its rules and procedures, as modified by this Agreement to Arbitrate. For all claims in which the value of the relief sought is \$10,000 or less, the AAA's Consumer Arbitration Rules, as modified by this Agreement to

Arbitrate, shall apply without exception. For all other claims, the AAA's rules, including, as applicable, the AAA's Consumer Arbitration Rules, as modified by this Agreement to Arbitrate, shall apply. The AAA's rules are available at [www.adr.org](http://www.adr.org). In the event that the AAA is unavailable to administer the arbitration, another administrator will be selected by the parties or by the court.

A party who intends to seek arbitration must first send the other party, by certified mail, a completed [Notice of Dispute](#). You should send this notice to PayPal at: PayPal, Inc., Attn: Legal Specialists, Re: Notice of Dispute, P.O. Box 45950, Omaha, NE

68145-0950.  
PayPal will send any notice to you to the address we have on file associated with your PayPal account; it is your responsibility to keep your address up to date. To be valid, the Notice of Dispute must contain all information called for in the Notice of Dispute form, including the email address and phone number associated with your PayPal account, a description of the nature and basis of the claims you are asserting, and the specific relief sought.

If you and PayPal are unable to resolve the claims described in the notice within 45 days after the notice is received by PayPal, you or PayPal may initiate arbitration proceedings. A

form for initiating arbitration proceedings is available on the AAA's website at [www.adr.org](http://www.adr.org).

The arbitration shall be held in the county in which you reside or at another mutually agreed location. If the value of the relief sought is \$10,000 or less, you or PayPal may elect to have the arbitration conducted by telephone or based solely on written submissions, which election shall be binding on you and PayPal subject to the discretion of the arbitrator(s) to require an in-person hearing, if the circumstances warrant. In cases where an in-person hearing is held, you and/or PayPal may attend by telephone, unless the arbitrator(s) require otherwise. Any

settlement offer made by you or PayPal shall not be disclosed to the arbitrator(s).

The arbitrator(s) will decide the substance of all claims in accordance with applicable law, including recognized principles of equity, and will honor all claims of privilege recognized by law. The arbitrator(s) shall not be bound by rulings in prior arbitrations involving different PayPal customers, but is/are bound by rulings in prior arbitrations involving the same PayPal customer to the extent required by applicable law. The award of the arbitrator(s) shall be final and binding, and judgment on the award rendered by the arbitrator(s) may be entered in any court having



	jurisdiction thereof.
<p style="text-align: center;"><i>Costs of Arbitration</i></p>	<p>Payment of all filing, administration, and arbitrator fees will be governed by the AAA's rules, unless otherwise stated in this Agreement to Arbitrate. If the value of the relief sought is \$10,000 or less, at your request, PayPal will pay all filing, administration, and arbitrator fees associated with the arbitration. Any request for payment of fees by PayPal should be submitted by mail to the AAA along with your Demand for Arbitration and PayPal will make arrangements to pay all necessary fees directly to the AAA. If the value of the relief sought is more than \$10,000 and you are able to demonstrate that the costs of accessing arbitration will be prohibitive as</p>

	<p>compared to the costs of accessing a court for purposes of pursuing litigation on an individual basis, PayPal will pay as much of the filing, administration, and arbitrator fees as the arbitrator(s) deem necessary to prevent the cost of accessing the arbitration from being prohibitive. In the event the arbitrator(s) determine the claim(s) you assert in the arbitration to be frivolous, you agree to reimburse PayPal for all fees associated with the arbitration paid by PayPal on your behalf that you otherwise would be obligated to pay under the AAA's rules.</p>
<p><i>Severability</i></p>	<p>With the exception of any of the provisions in the <a href="#">Prohibition of Class and Representative Actions and Non-</a></p>

Individualized Relief section above, if a court decides that any part of this Agreement to Arbitrate is invalid or unenforceable, the other parts of this Agreement to Arbitrate shall still apply. If a court decides that any of the provisions in the Prohibition of Class and Representative Actions and Non-Individualized Relief section above is invalid or unenforceable because it would prevent the exercise of a non-waivable right to pursue public injunctive relief, then any dispute regarding the entitlement to such relief (and only that relief) must be severed from arbitration and may be litigated in court. All other disputes subject to arbitration under the terms of the Agreement to Arbitrate shall be

	arbitrated under its terms.
<p style="text-align: center;"><i>Opt-Out Procedure</i></p>	<p>If you are a new PayPal customer, you can choose to reject this Agreement to Arbitrate by mailing us a written opt-out notice. The opt-out notice must be postmarked no later than 30 days after the date you accept these terms and conditions for the first time. You must mail the opt-out notice to PayPal, Inc., Attn: Litigation Department, 2211 North First Street, San Jose, CA 95131.</p> <p>For your convenience, we are providing an <a href="#">opt-out notice</a> form you must complete and mail to opt out of this Agreement to Arbitrate. You must complete this form by providing all the information it calls for, including your name, address, phone number, and the email</p>

	<p>address(es) used to log in to the PayPal account(s) to which the opt-out applies. You must sign the opt-out notice for it to be effective. This procedure is the only way you can opt out of the Agreement to Arbitrate. If you opt out of this Agreement to Arbitrate, all other parts of the terms and conditions will continue to apply. Opting out of this Agreement to Arbitrate has no effect on any previous, other, or future arbitration agreements that you may have with us.</p>
<p><b><i>Future Amendments to this Agreement to Arbitrate</i></b></p>	<p>Notwithstanding any provision in the terms and conditions to the contrary, you and we agree that if we make any amendment to this Agreement to Arbitrate (other than an amendment to any notice address or</p>

website link provided herein) in the future, that amendment shall not apply to any claim that was filed in a legal proceeding against PayPal prior to the effective date of the amendment. The amendment shall apply to all other disputes or claims governed by this Agreement to Arbitrate that have arisen or may arise between you and PayPal. We will notify you of amendments to this Agreement to Arbitrate by posting the amended terms on [www.paypal.com](http://www.paypal.com) at least 30 days before the effective date of the amendments and by providing notice through email. If you do not agree to these amended terms, you may close your PayPal account within the 30-day period and you will not

	be bound by the amended terms.
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## **Intellectual Property**

### **PayPal's trademarks**

"PayPal.com," "PayPal," and all logos related to the PayPal services are either trademarks or registered trademarks of PayPal or PayPal's licensors. You may not copy, imitate, modify or use them without PayPal's prior written consent. In addition, all page headers, custom graphics, button icons, and scripts are service marks, trademarks, and/or trade dress of PayPal. You may not copy, imitate, modify or use them without our prior written consent. You may use HTML logos provided by PayPal for the purpose of directing web traffic to the PayPal services. You may not alter, modify or change these HTML logos in any way, use them in a manner that mischaracterizes PayPal or the PayPal services or display them in any manner that implies PayPal's sponsorship or endorsement. All right, title and interest in and to the PayPal websites, any content thereon, the PayPal services, the technology related to the PayPal services, and any and all technology and any content created or derived from any of the foregoing is the exclusive property of PayPal and its licensors.

### **License grants, generally**

If you are using PayPal software such as an API, developer's toolkit or other software application, which may include software provided by or integrated with software, systems or services of our service providers, that you have downloaded or otherwise accessed through a web or mobile platform, then PayPal grants you a revocable, non-exclusive, non-sublicensable, non-transferable, royalty-free limited license to access and/or use PayPal's software in accordance with the documentation accompanying such software. This license grant applies to the software and all updates, upgrades, new versions and replacement software. You may not rent, lease or otherwise transfer your rights in the software to a third party. You must comply with the implementation, access and use requirements contained in all documentation accompanying the PayPal services. If you do not comply with implementation, access and use requirements you will be liable for all resulting damages suffered by you, PayPal and third parties. PayPal may update or discontinue any software upon notice to you. While PayPal may have (1) integrated certain third-party materials and technology into any web or other application, including its software, and/or (2) accessed and used certain third-party materials and technology to facilitate providing you with the PayPal Services, you have not been granted and do not otherwise retain any rights in or to any such third-party materials. You agree not to modify, alter, tamper with, repair, copy, reproduce, adapt, distribute, display, publish, reverse engineer, translate, disassemble, decompile or otherwise attempt to create any source code that is derived from the software or any third-party materials or technology, or otherwise create any derivative works from any of the software or third-party materials or technology. You acknowledge that all rights, title and interest to PayPal's software are owned by PayPal and any third-party materials integrated therein

are owned by PayPal's third-party service providers. Any other third-party software application you use on the PayPal websites is subject to the license you agreed to with the third party that provides you with this software. You acknowledge that PayPal does not own, control nor have any responsibility or liability for any such third-party software application you elect to use on any of our websites, software and/or in connection with the PayPal services.

### **License grant from you to PayPal; intellectual property warranties**

PayPal does not claim ownership of the content that you provide, upload, submit or send to PayPal. Nor does PayPal claim ownership of the content you host on third-party websites or applications that use PayPal services to provide payments services related to your content. Subject to the [next paragraph](#), when you provide content to PayPal or post content using PayPal services, you grant PayPal (and parties that we work with) a non-exclusive, irrevocable, royalty-free, transferable, and worldwide license to use your content and associated intellectual property and publicity rights to help us improve, operate and promote our current services and develop new ones. PayPal will not compensate you for any of your content. You acknowledge that PayPal's use of your content will not infringe any intellectual property or publicity rights. Further, you acknowledge and warrant that you own or otherwise control all of the rights of the content you provide, and you agree to waive your moral rights and promise not to assert such rights against PayPal.

### **License grant from sellers to PayPal**

Notwithstanding the provisions of the [prior paragraph](#), if you are a seller using the PayPal services to accept payments for goods and services, you hereby grant PayPal and its affiliates a worldwide, non-exclusive, transferable, sublicensable (through multiple tiers), and royalty-free, fully paid-up, right to use and display publicly, during the term of these terms and conditions, your trademark(s) (including but not limited to registered and unregistered trademarks, trade names, service marks, logos, domain names and other designations owned, licensed to or used by you) for the purpose of (1) identifying you as a merchant that accepts a PayPal service as a payment form, and (2) any other use to which you specifically consent.

## **Miscellaneous**

### **Assignment**

You may not transfer or assign any rights or obligations you have under these terms and conditions without PayPal's prior written consent. PayPal may transfer or assign these terms and conditions or any right or obligation under these terms and conditions at any time.

### **Business Days**



“Business Day(s)” means Monday through Friday, excluding holidays when PayPal’s offices are not considered open for business in the U.S. Holidays include New Year’s Day (January 1), Martin Luther King, Jr.’s Birthday (the third Monday in January), George Washington’s Birthday (the third Monday in February), Memorial Day (the last Monday in May), Independence Day (July 4), Labor Day (the first Monday in September), Columbus Day (the second Monday in October), Veterans Day (November 11), Thanksgiving Day (the fourth Thursday in November) and Christmas Day (December 25). If a holiday falls on a Saturday, PayPal observes the holiday on the prior Friday. If the holiday falls on a Sunday, PayPal observes the holiday on the following Monday.

### **Consumer fraud warning**

We’re always looking for ways to help keep you even more secure. So stay on the lookout for some of these common scams:

- **Spoofting:** a scammer sends forged or faked electronic documents or emails falsely claiming to be PayPal or coming from PayPal but asks you to send money outside your Balance Account.
- **Relative in Need:** a scammer impersonates a family member (commonly grandchildren) and claims there is an emergency requiring you to send money.
- **Lottery or Prize:** a scammer informs you that you’ve won a lottery or prize and must send money in order to claim it.
- **Debt Collection:** a scammer impersonates a debt collector and induces you to send money using threats or intimidation.
- **Employment Related:** a scammer instructs you to send money in connection with a fraudulent offer of employment.

Always use common sense when sending money. If something sounds too good to be true, it probably is. Only send money for yourself and not for others. Please let us know immediately if you believe someone is trying to scam or defraud you by [contacting us](#).

### **Dormant accounts**

If you do not log in to your Balance Account for two or more years, PayPal may close your Balance Account and send any funds in the account to your primary address (if we have verified the [required identifying information](#) that you have provided to us) or, if required, escheat (send) those funds to your state of residency. PayPal will determine your state of residency based on the state listed in the primary address for your PayPal account. If your address is unknown or registered in a foreign country, the funds in your Balance Account will be escheated to the State of Delaware. Where required, PayPal will send you a notice prior to escheating any funds in your Balance Account. If you fail to respond to this notice, the balance in your Balance Account will be escheated to the applicable state. If you would like to claim any escheated funds from the applicable state, please contact the applicable state’s unclaimed property administrator.

## **Governing law**

You agree that, except to the extent inconsistent with or preempted by federal law and except as otherwise stated in these terms and conditions, the laws of the State of Delaware, without regard to principles of conflict of laws, will govern these terms and conditions and any claim or dispute that has arisen or may arise between you and PayPal.

## **Identity authentication**

You authorize PayPal, directly or through third parties, to make any inquiries we consider necessary to verify your identity. This may include:

- asking you for further information, such as your date of birth, a taxpayer identification number, your physical address and other information that will allow us to reasonably identify you;
- requiring you to take steps to confirm ownership of your email address or financial instruments;
- ordering a credit report from a credit reporting agency, or verifying your information against third-party databases or through other sources; or
- requiring you to provide your driver's license or other identifying documents.

Anti-money laundering and counter-terrorism financing laws may require that PayPal verify the [required identifying information](#) if you use certain PayPal services. PayPal reserves the right to close, suspend, or limit access to your Balance Account and/or the PayPal services in the event that, after reasonable enquiries, we are unable to obtain information about you required to verify your identity.

## **PayPal is only a payment service provider**

We act as a payment service provider only. We do not:

- Act as an escrow agent with respect to any funds kept in your Balance Account;
- Act as your agent or trustee;
- Enter into a partnership, joint venture, agency or employment relationship with you;
- Guarantee the identity of any buyer or seller;
- Determine if you are liable for any taxes; or
- Unless otherwise expressly set out in these terms and conditions, collect or pay any taxes that may arise from your use of our services.

## **Privacy**

Protecting your privacy is very important to us. Please review our [Privacy Statement](#) in order to better understand our commitment to maintaining your privacy, as well as our use and disclosure of your information.

## **State disclosures**

In addition to reporting complaints against PayPal directly to PayPal as described above, if you are a California resident, you may report complaints to the California Department of Business Oversight by mail at Department of Business Oversight, Attn: Consumer Services, 1515 K Street, Suite 200, Sacramento, CA 95814 or online through its website at [http://www.dbo.ca.gov/Consumers/consumer\\_services.asp](http://www.dbo.ca.gov/Consumers/consumer_services.asp). The California Department of Business Oversight offers assistance with its complaint form by phone at 866-275-2677. If you are a California resident, you have a right to receive communications about your PayPal account and the PayPal services by email. To make such a request, send a letter to PayPal to: PayPal, Inc., Attention: Legal Department, 2211 North First Street, San Jose, California 95131), include your email address, and your request for that information by email.

Florida residents may contact the Florida Department of Financial Services in writing at 200 East Gaines Street, Tallahassee, Florida, 32399, or by telephone at 1-800-342-2762.

## **Translation of agreement**

Any translation of these terms and conditions is provided solely for your convenience and is not intended to modify the terms. In the event of a conflict between the English version these terms and conditions and a version in a language other than English, the English version shall control.

## **Unlawful internet gambling notice**

Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through your Balance Account or your relationship with PayPal. Restricted transactions generally include, but are not limited to, transactions in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with unlawful Internet gambling.

## **Your use (as a seller) of personal data; Data protection laws**

If you (as a seller) receive personal data about another PayPal customer, you are subject to and must comply with the [data protection terms](#) set forth in the [PayPal Account User Agreement](#), which data protection terms also extend to your use of the PayPal services provided pursuant these terms and conditions.

### *Exhibit 1*

### *PayPal Balance Long Form Disclosure*

All fees	Amount	Details
Spending or sending money		
<p>International transaction (sending money to PayPal accounts outside the U.S.)</p>	<p>5% (minimum \$0.99 fee; maximum \$4.99 fee)</p>	<p>There's a fee when you send money to friends or family outside the U.S. using your Balance Account balance.</p> <p>If you're sending in a foreign currency, the fee is a comparable amount in that currency.</p>
Adding money to your balance		
<p>Cash reload</p>	<p>\$3.00 - \$3.95</p>	<p>There's a fee of up to \$3.95 when you add cash to your Balance Account balance using the PayPal app at participating stores. Amount varies by store. Find a participating <a href="#">store</a> near you.</p>
<p>Check reload</p>	<p>1.00%</p>	<p>There's a 1.00% fee</p>

(faster check loads, payroll and government checks)	(minimum \$5 fee)	(with a minimum fee of \$5.00) when you choose to add payroll or government checks (with pre-printed signature) to your PayPal Balance account. No fee if your check can't be added.
<p>Check reload</p> <p>(faster check loads, all other accepted check types)</p>	5.00% (minimum \$5 fee)	There's a 5.00% fee (with a minimum fee of \$5.00) when you choose to add non-payroll and non-government checks in minutes using the PayPal app. No fee if your check can't be added.
<b>Transferring money from your balance</b>		
Electronic withdrawal (Instant Transfer)	1.75% (minimum \$0.25 fee; maximum \$25 fee)	There's a fee to transfer money from your Balance Account to your eligible linked bank account or debit card with the

		Instant Transfer option. The money is typically available in minutes.
Paper checks	\$1.50	There's a fee to have a paper check mailed to you.
Using the PayPal Debit Mastercard® ("PayPal Debit Card") (optional)		
ATM withdrawal (out-of-network)	\$0.50 - \$2.50	There's a fee for non-MoneyPass ATM withdrawals in the U.S. Fee amount varies by ATM owner. You may be charged an additional amount by the ATM owner even if you don't complete a transaction.
ATM international withdrawal	\$2.50	There's a fee for non-U.S. ATM withdrawals. It applies even if the transaction doesn't need any currency conversion. A 2.50% international transaction fee described

		below also applies to international ATM withdrawals. You may be charged an additional amount by the ATM owner even if you don't complete a transaction.
International transaction	2.50%	There's a foreign transaction fee when you use your PayPal Debit Card to make purchases or withdrawals at stores or ATMs outside the U.S. This fee applies even when there's no currency conversion.
Teller withdrawal (bank and other financial institutions)	\$3.00	There's a fee when you get cash back at participating bank branches or other financial institutions. The fee is charged when you sign for your cash.

<p>Over-the-counter cash withdrawal (Walmart)</p>	<p>\$3.00</p>	<p>There's a fee when you get cash back at a Walmart Customer Service counter or MoneyCenter using your PayPal Debit Card. The fee is charged when you sign for your cash.</p>
<p>Cash reload</p>	<p>\$3.00 - \$4.95</p>	<p>There's a fee to add cash to your Balance Account balance using your PayPal Debit Card at participating stores. Fee amount varies by store. Find a <a href="#">participating store</a> near you.</p>
<p><b>Using the PayPal Business Debit Mastercard® (“PayPal Business Debit Card”) (optional)</b></p>		
<p>ATM withdrawal (in-network and out-of-network)</p>	<p>\$1.50</p>	<p>This fee is charged for ATM withdrawals in the U.S. (plus any amounts charged by the ATM owner). You may be charged an additional fee</p>



		by the ATM owner even if you don't complete a transaction.
ATM international withdrawal	\$1.50	There's a fee for non-U.S. ATM withdrawals. It applies even if the transaction doesn't need any currency conversion. A 1.00% international transaction fee described below also applies to international ATM withdrawals. You may be charged an additional amount by the ATM owner even if you don't complete a transaction.
International transaction	1.00%	There's a foreign transaction fee when you use your PayPal Business Debit Card to make purchases or withdrawals at stores or

		ATMs outside the U.S. This fee applies even when there's no currency conversion.
Teller withdrawal (bank and other financial institutions)	\$3.00	There's a fee when you get cash back at participating bank branches or other financial institutions. The fee is charged when you sign for your cash.
Over-the-counter cash withdrawal (Walmart)	\$3.00	There's a fee when you get cash back at a Walmart Customer Service counter or MoneyCenter using your PayPal Business Debit Card. The fee is charged when you sign for your cash.
Cash reload	\$3.00 - \$4.95	There's a fee to add cash to your Balance Account balance using your PayPal

		Business Debit Card at participating stores. Fee amount varies by store. Find a participating <a href="#">store</a> near you.
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**Third-party digital wallets (optional)**

International transaction (Google Pay and Samsung Pay features)	2.50%	There's a foreign transaction fee to use PayPal in Google Pay and Samsung Pay to make a purchase from a non-U.S. merchant. This fee applies even when there's no currency conversion.
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**Cryptocurrencies**

Buying or selling a cryptocurrency:	\$0.49 (minimum fee)	There's a fee for buying or selling cryptocurrencies. Fee will vary based on purchase or sale amount.
\$1.00 – \$4.99	\$0.99	
\$5.00 – \$24.99	\$1.99	
\$25.00 – \$74.99	\$2.49	
\$75.00 – \$200.00	1.80%	
\$200.01 – \$1000.00	1.50%	
\$1000.01+		

Your U.S. dollar funds are placed at one or more banks insured by the Federal Deposit Insurance Corporation (FDIC) that we choose in our discretion (“[Program Banks](#)”) and are eligible for FDIC pass-through insurance at those banks only if you have a PayPal Debit Card, have enrolled in Direct Deposit, or have bought or received cryptocurrency. Any cryptocurrencies you hold in your account, non-U.S. dollar currencies, or funds you hold in a business account are not eligible for FDIC pass-through insurance.

No overdraft/credit feature.

Contact us at 1-844-629-9108, by mail at PayPal Inc., Attention: Legal Department, 2211 North First Street, San Jose, CA 95131, or online at [paypal.com/us/smarthelp/contact-us](https://paypal.com/us/smarthelp/contact-us).

For general information about prepaid accounts, visit [cfpb.gov/prepaid](https://cfpb.gov/prepaid).

If you have a complaint about a prepaid account, call the Consumer Financial Protection Bureau at 1-855-411-2372 or visit [cfpb.gov/complaint](https://cfpb.gov/complaint).